1 RECORD OF ORAL HEARING

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3 UNITED STATES PATENT AND TRADEMARK OFFICE

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6 BEFORE THE BOARD OF PATENT APPEALS

7 AND INTERFERENCES

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10 Ex parte FUMITAKE YODO

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13 Appeal 2007-3875

14 Application 09/600,509

15 Technology Center 3600

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18 Oral Hearing Held: October 25, 2007

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22 Before MURRIEL CRAWFORD, LINDA E. HORNER, (telephonically),

23 JOSEPH A. FISCHETTI, Administrative Patent Judges

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27 ON BEHALF OF THE APPELLANT:

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29 ANDREW T. ZIDEL, ESQUIRE

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35 The above-entitled matter came on for hearing on Thursday, October 25,

36 2007, commencing at 9:00 a.m., at the U.S. Patent and Trademark Office,

1 600 Dulany Street, 9th Floor, Hearing Room A, Alexandria, Virginia, before

2 Lori B. Allen, Notary Public.

3   P R O C E E D I N G S

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5   JUDGE CRAWFORD: We have two administrative patent judges

6 that are observing the hearing. We have one administrative patent judge on

7 the panel that's on the phone -- Judge Horner.

8   JUDGE HORNER: Good morning.

9   MR. ZIDEL: Good morning.

10   And again, my name is Andrew Zidel, and I'm from the law firm of

11 Lerner, David, Littenberg, Krumholz & Mentlik in Westfield, New Jersey.

12 And I'm here today representing the appellant, Mr. Yodo and his assignee,

13 which is Sony corporation.

14   Before I get started, there's one thing I just want to update you with.

15 In this family of cases, there's a child case in this family that was also on

16 appeal that we referred to. And that was also a second case that's on appeal

17 as well. Neither of them has been heard yet, though.

18   JUDGE CRAWFORD: Okay. What's the one that's not in the brief?

19   MR. ZIDEL: It's application number 09/923702. And I'm not sure of

20 the exact date, but it was filed recently.

21   JUDGE CRAWFORD: You can begin when you're ready.

22   MR. ZIDEL: Okay. We're here today after an extensive prosecution.

23 I think there were no less than nine office actions and nearly as many

24 amendments to the claims that were made. And over the five years of

25 prosecution, the number of claims and the issues got focused down. So now

26 we're left with one independent claim and three dependent claims. The key

1issue that's on appeal is the use of the 'adapted to' language in the various

2claim elements, and especially in independent claim 1.

3   If you like, I could briefly go over the technology of the invention; or,

4if you like, I can just focus on --

5   JUDGE CRAWFORD: Well, could you just explain this second

6controller adapted to transmit? That would help me.

7   MR. ZIDEL: Okay, sure. All right, I think that's great.

8   Do you guys have a copy of the drawings as filed?

9   JUDGE CRAWFORD: Yes.

10   MR. ZIDEL: Okay. So just so we're clear, for the second controller

11that's included in the terminal device, and if you look at figure 1, you can see

12that the terminal device is element number 10. And it's also shown in detail

13in figure 3. You know, this is all the specifics of the terminal device.

14   And the second controller is included in the terminal device, and it's

15adapted to transmit the remaining accounting point information that's stored

16in the first memory of the terminal device. And it's transmitted to the

17accounting center, and the accounting center, going back to figure 1, is

18element number 1.

19   JUDGE CRAWFORD: But which one is the second controller in

20figure 3? Because in your brief you said that it was modem 19. And so I

21understand that transmitting accounting point information, but what about

22this to set the remaining accounting point information?

23   MR. ZIDEL: That's a good point. I think what's really good is the

24combination of the modem that's controlled by CP #11.

25   JUDGE CRAWFORD: So is your first controller and your second

26controller the same thing?

1   MR. ZIDEL: Well, they're a little different, because in the first

2controller, everything is done within the CPU. All the processing is done

3within the CPU. But in the second controller, you have the CPU doing

4certain functions and directing the model to do other functions. So, you

5know, adapted to transmit the transmitting part may be done physically with

6the model, but the CPU 11 is also directing the model what to do. And it's

7also in charge of setting the remaining accounting point information to an

8initial value.

9   JUDGE CRAWFORD: Okay.

10   MR. ZIDEL: And, actually, if you go to figure 9, I think that shows

11what's going on with the process. And in the flow diagram of figure 9, you

12can see that at 23 it says, transmission, and it shows it's transmitting the

13current number of points, and what's called the "point use record." And

14that's transmitted to the accounting center, number 1, in figure 1.

15   And then according to the claim, the accounting center performs an

16accounting process based on the remaining accounting point information

17that's transmitted from the terminal device, and it's going to generate an

18accounting processing status. And then, that's basically shown in figure 11,

19at step 46.

20   JUDGE CRAWFORD: You can go ahead. I'm sorry.

21   MR. ZIDEL: Okay. And then if you turn back to figure 9, you can

22see that once that process happens at the accounting center, then we come

23back to step S26 in figure 9 where it shows it sets the accounting point to an

24initial value and clears the point use record. And, according to the claim,

25you know, the second controller is adapted to set the remaining accounting

1point information to an initial value based upon an accounting processing

2status received from this accounting center.

3   JUDGE CRAWFORD: Okay.

4   JUDGE FISCHETTI: Okay.

5   JUDGE CRAWFORD: So where does the examiner find that subject

6matter in the references?

7   MR. ZIDEL: I've struggled with that -- where, and actually it's

8coming out of. I've going through the file history in the examiner's

9arguments. Initially, with the Peterson reference, which was the primary

10reference that was relied on, I think in seven of the office actions initially

11was an anticipation rejection based upon Peterson. And he said that those

12features were inherent in Peterson, even though there was no real discussion

13of what was going on in Peterson. And he based that inherency, I think, in

14part on the fact that there was this adapted to language in the claim, which

15you know over the course of these office actions he basically dismissed the

16adapted to language and other functional language as mere intended use.

17   And so at one point I think in the final office action, the examiner, I'm

18just going to quote here. He basically came to the point where he said: "If

19an applicant only claims a computer that's adapted to perform a complex

20function, a general purpose computer would anticipate that claim. And I

21don't think that's true. I think you have to look at what the functions being

22performed by the device, what it's adapted to do. I compare it to what the

23prior art teaches, and here, I don't see where Peterson or the other art that he

24is relying on teaches doing those functions that the second controller is

25adapted to.

1   JUDGE CRAWFORD: So you try to amend the claims. Is that
2correct?

3   MR. ZIDEL: There was a lot of back and forth, and most of the
4amendments focused on changing it from adapted to to configure 2 to 4.
5And, you know, the examiner basically dismissed all of that language as
6mere intended use and I don't think gave it the proper weight in his analysis.

7   JUDGE FISCHETTI: He seems to go to the example in Peterson with
8respect to the cost for a movie to justify the initial value, to reset the initial
9value. And I see that in I guess it's his final office action to you. So there's
10something more than basis of inherency in 'adapted to' with respect to his
11position. Right?

12   MR. ZIDEL: I think his example is not actually coming from
13Peterson from what I understand. He is focusing on some particular
14language in column 9 of Peterson, where it talks about you can have this
15automatic on-line process. And that's the feature that he points to as
16inherently doing what the second controller does. You know, the example
17with the five dollars, I believe it was.

18   JUDGE FISCHETTI: Right. I see that in the abstract of Peterson,
19and that's why.

20   MR. ZIDEL: Okay.

21   JUDGE FISCHETTI: So. I understand that. You know, looking
22back in the context of the claim and what the claim actually calls for, you
23know, it's adapted to set the remaining accounting point information to an
24initial value, based upon an accounting process status received at the
25terminal device from the accounting center. And the way the application
26talks about this happening, as is shown, you know, in figure 9 and in the

1specification, there's really two components going on. There's these

2accounting points, which represent, let's say, dollars.

3   JUDGE CRAWFORD: Right.

4   MR. ZIDEL: And then there's also what's called the point use record.

5So every time you wanted to access a piece of content, it's going to keep

6track of how much that content cost in points, and when did you access.

7You know, what third parties might be entitled to some money based upon

8your accessing it, and all that accounting point information gets transmitted

9to the center when it does its accounting process.

10   So it's not just, you know, let's put five more dollars on the card so we

11can do stuff. There's more involved in the invention than just adding some

12more money to the account.

13   JUDGE FISCHETTI: But in the abstract of Peterson, if you have

14loaded the card with five dollars and then it charges you a reduced fee for

15one dollar, then isn't that the function of the secondary controller to basically

16readjust that accounting information to four dollars as you're doing?

17   MR. ZIDEL: Well, I'm trying to understand their example, because

18really what Peterson is doing is they're saying, I guess, the initial idea of

19Peterson they way I understand was you have some content that you want to

20access and you can only access it as of a certain date. And at that date you

21can access it for the first price, five dollars, let's say. And then if you want

22to access it two weeks later, well, look at the discount. So maybe it only

23costs you a dollar. So you'll see you have more money left in your account.

24   JUDGE CRAWFORD: Right.

25   MR. ZIDEL: But what's going on with ours is that I'm not sure what's

26going on with Peterson when it communicates to their equivalent of an

1accounting center, because it's just not really described in this particular

2embodiment how they actually do that.

3   JUDGE CRAWFORD: Okay.

4   MR. ZIDEL: You know, in our embodiment we're sending the

5accounting point information to the accounting center, which does its own

6internal accounting process, and then sends back information to the terminal

7device.

8   JUDGE FISCHETTI: Does the claim make it clear that that's a

9separate entity, the accounting process?

10   MR. ZIDEL: That the accounting center is a separate element?

11   JUDGE FISCHETTI: Yeah.

12   MR. ZIDEL: I believe it is, and that was, I think in the early

13prosecution. There was a lot of issue. Is that component really apart of the

14claim or is it just some external device? And the claims were amended

15during prosecution to include the terminal device and the accounting center.

16   JUDGE FISCHETTI: Okay. All right.

17   MR. ZIDEL: You know, the claims might have been drafted a little

18clearer, but that's what's going on at this point.

19   JUDGE CRAWFORD: Well, what is this initial value in yours?

20   MR. ZIDEL: In ours it can be either a predetermined value of, you

21know, 20 points or 20 dollars, or what have you. When you get to the point

22where you have this communication back and forth between the terminal

23device and the accounting center, it can reset its initial value that you had

24prior to the original value. Or, it's possible for the user to say I want to up

25that value or lower that value. And there are some examples in the

26specification that talk about doing that as well.

1   But getting back to the "adapted to" language, I think the bottom line

2is that when the examiner looked at that, he basically said, well, that's just

3your intended use. And because the reference talks about some sort of

4process with the accounting center, that anything that has any relation to that

5will read on your claim. And like I said, I don't think that's the way the law

6works. And actually, there was a decision by the Board last month an *ex*

7*parte* may have, which was similar to what's going on here. That decision

8came down on September 20th.

9   JUDGE CRAWFORD: Can you spell it?

10   MR. ZIDEL: M-a-e-v? It was appeal number 2007-2911. So in that

11case we had a controller that was operative to measure profiles in a spot

12welding system, and the examiner had issued two anticipation rejections,

13based upon two different pieces of prior art, which also had controllers, but

14didn't discuss doing those functions. And the Board overturned the

15anticipation rejections because neither reference specifically taught

16performing the claimed functions. I think that's analogous to what's going

17on here.

18   We have specific functions that this second controller is adapted to do.

19The reference doesn't teach that. You know, at some points the examiner,

20say during prosecution even back in 2003, that Peterson does not directly

21disclose the transmission of the accounting point information from the

22terminal device to the accounting center.

23   So even back then he was acknowledging that this wasn't really

24expressly in the reference. He was arguing that it was inherent in the

25reference, but then, you know, as the prosecution evolved over time now,

1he's added in Akiyama and the other reference just to fill in those gaps --

2what we call the filling in the missing inherencies.

3   So I think what he says was inherent is not really inherent in there,

4and he points to those other two references to try to fill in the gaps. But

5neither one does what we are claiming; and, so, I think in view of that, you

6know, looking at the 'adapted to' language that distinguishes over the

7references and, you know, the references. And the references aren't doing

8what he's trying to tack on to Peterson, and I think for that reason the

9rejection should be withdrawn.

10   JUDGE CRAWFORD: And are you concentrating on this second

11controller part?

12   MR. ZIDEL: I think once we get that issue resolved, everything else

13falls into place.

14   JUDGE CRAWFORD: Okay.

15   JUDGE FRISCHETT: First and second controllers, though, are

16within the same device, the general device.

17   MR. ZIDEL: Right.

18   JUDGE FISCHETTI: And you say that they share the same CPU?

19   MR. ZIDEL: Yeah.

20   JUDGE FISCHETTI: So you can draw like a little dash-line between

21this thing called controller and basically called one-half 1, and the other one

222nd?

23   MR. ZIDEL: Right. I think what's happening is in the first controller

24the CPU is doing certain functions; and then in the second controller it's the

25CPU plus the modem doing the other functions. You know, initially these

26claims were written in means plus function format.

1   JUDGE FISCHETTI: Okay. All right.

2   MR. ZIDEL: And you have the first means and the second means.

3   JUDGE FISCHETTI: It's going part of the brain and another part of
4the brain, basically.

5   MR. ZIDEL: Right. And so during prosecution, the claims change
6and no longer meets post-function format, but that's where we are. That was
7really what I wanted to focus on.

8   JUDGE CRAWFORD: That is it. I have no questions.

9   Judge Horner?

10   JUDGE HORNER: I have no questions.

11   MR. ZIDEL: Thank you very much. I really appreciate it.

12   JUDGE CRAWFORD: Thank you.

13   [The hearing was concluded at 11:15 a.m.]